



FULFILLING OUR PROMISES
TO THE MEN AND WOMEN WHO SERVED

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*attn :
American Free Press*

AUG 15 2013

August 6, 2013

Dear Mr. [REDACTED]

Thank you for writing to express your disappointment after reading an article which inaccurately portrayed salary information for some DAV executives. You obviously care a great deal about disabled veterans, and we are grateful to have this opportunity to respond. I also want to extend my deepest gratitude for your past financial support. As a disabled veteran myself, who personally benefitted from DAV's services prior to becoming an employee, I want to assure you that your gifts have been used quite wisely.

As a bit of background, the author of the article you read is unhappy with DAV and has gone to great lengths to organize a negative campaign against us. Any successful million-plus member organization is bound to have some detractors within its ranks; they should and do have a voice.

DAV salaries actually fall within the lower 25th percentile of similar-size organizations, as this letter and the attachments will explain in detail. What the article reports as "salaries" is actually compensation, benefits (some of which are projected and may or may not be realized), DAV expenses (employer relocation expenses are accounted for in total compensation per IRS regulations), and other items that fall outside of an employee's paycheck.

It is important to note that the country's largest and most respected watchdog group, the **Better Business Bureau's Wise Giving Alliance (BBB)**, reports that DAV meets all 20 of their stringent standards, and we have done so for many consecutive years. In fact, we are entitled to display their "BBB Accredited Charity" emblem, as you will note on the back cover of our enclosed annual report. This publication contains detailed descriptions of all DAV service programs, and enumerates the hundreds of thousands of veterans we assisted just last year. It also includes financial data audited by the accounting firm of Deloitte & Touche LLP.

During 2012, the DAV had total expenditures of \$170,544,571, of which \$130,541,199 (76.5 percent) went to program services for veterans and their families. In other words, for every dollar raised in 2012, 76.5 cents went to fulfilling our mission, by far one of the best ratios of any large non-profit organization. Administrative costs were low at 4.5 percent. The remaining 19 percent was used for fund raising, the majority of which was for materials and postage. I am very pleased to add that our fundraising programs are managed by our own employees, unlike some organizations which use outside solicitors

with exorbitantly high expense ratios. In contrast, every dollar donated by the public comes directly to DAV for our Congressionally-charted purpose.

To further ensure we are utilizing donations responsibly, we continually monitor the compensation of our executives. In 2011, at the request of DAV's Board of Directors, a well-respected global HR benefits consulting services firm, Buck Consultants, conducted a compensation study of our top 20 executives. The study showed that our compensation, as compared to similar-size organizations and positions, was 8 percent below the 25th percentile. In other words, more than 75 percent of executives at similar-sized non-profits were compensated over and above that of DAV's executives.

In addition, according to the *2011-2012 National Executive & Senior Management Compensation Survey* conducted by Compdata Surveys, the average annual salary for the top official in a non-profit with a budget exceeding \$75 million and 501 or more employees is \$322,900. The salary of DAV's top executive is *substantially lower* than this average.

We have attached two charts which provide greater detail. One compares DAV's CEO compensation to the same position in many other established, substantial charities. The other chart compares several DAV salaries to those paid at similar nonprofits. These charts are broad summaries of the precise data, drawn from many sources, that goes into professional compensation analysis.

In closing, I hope this letter has given you a more accurate picture of our responsible use of generous contributions such as yours. Please know that DAV's employees, veteran members, and devoted volunteers all remain devoted to our mission of fulfilling our promises to the men and women who served.

I respectfully ask that you reconsider your request to be removed from our mailing list.

Sincerely,



J. MARC BURGESS
National Adjutant

JMB: kgb

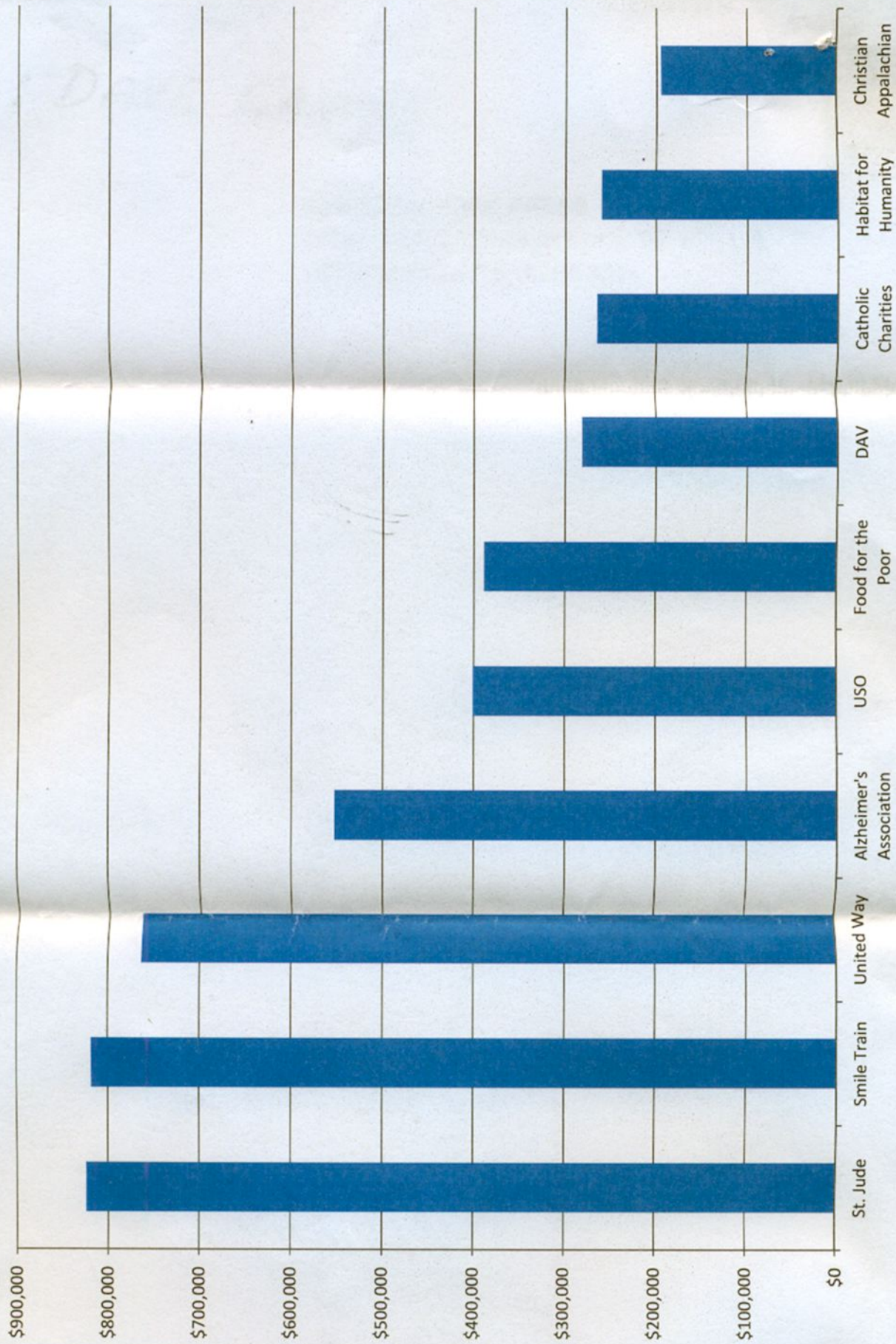
Enclosures

SALARIES OF DAV OFFICIALS COMPARED TO SIMILAR CHARITIES

(BASED ON COMPENSATION STUDY IN 2011)

- ✓ **77% of CEOs made more than DAV's National Adjutant**
- ✓ **86% of Executive Directors made more than the ED of DAV's National HQ**
- ✓ **75% of Executive Directors made more than the ED of DAV's Washington HQ**
- ✓ **79% of Chief Legal Officers made more than DAV's General Counsel**
- ✓ **74% of Chief Financial Officers made more than DAV's Comptroller**
- ✓ **77% of Fundraising Directors made more than DAV's Fundraising Director**
- ✓ **81% of Human Resources Directors made more than DAV's HR Director**
- ✓ **75% of Communications Directors made more than DAV's Communications Director**

CEO Annual Salaries at Established Charities



* Information derived from Chronicle of Philanthropy (2012)